

**REMARKS**

This amendment is submitted in response to the Official Action mailed September 14, 2005. In view of the above claim amendments and the following remarks, reconsideration by the Examiner and allowance of the application is respectfully requested.

Claim 41 has been amended to more particularly point out and distinctly claim the subject matter that Applicant regards as the invention. In particular, Claim 41 has been amended to limit the primary account is a bank or credit account. This limitation was contained in Claim 56, which has been canceled, and does not introduce new matter. Claim 41 is also amended to require the steps of creating a secondary account file and transferring funds from the bank or credit account to the internet secondary account file to be performed using information supplied by a parent over the internet using a personal computer. This is disclosed in the specification at page 13, lines 9 – 13.

Claim 41 has been further amended to clarify that the child uses the transferred funds to purchase and transfer music files over the internet using a personal computer. This is also disclosed in the specification at page 13, lines 9 – 13, and also at page 16, lines 4 – 13. Finally, claim 41 has been amended to clarify that the secondary account is established with an internet music file supplier. The supply of music file entertainment over the internet is disclosed at page 16, lines 4 – 6. The establishment of a secondary account with the music file entertainment supplier is disclosed at page 18, lines 3 – 5, wherein it is stated, “The supplier of entertainment ... need not offer the controlled spending account,” which implies that they can. In view of the foregoing, the amendments to claim 41 therefore do not introduce new matter.

Claims 42, 43 and 48 have been amended to conform to the changes to claim 41. Claims 52, 53 and 56 – 58 have been canceled because they no longer further limit amended Claim 41. Applicants reserve the right to file a Continuation Application on the canceled subject matter that was not added to Claim 41.

In view of the above claim amendments, the within application is believed to be in condition for allowance. Reconsideration of the rejections made by the Examiner is therefore respectfully requested.

Turning to the Official Action, Claims 41 – 46, 48 – 53 and 56 – 58 were rejected under 35 U.S.C. §103(a) as being unpatentable over Armetta et al. U.S. Patent No. 5,864,830 in view of Nakano et al., U.S. Patent No. 5,845,260. Armetta et al. was cited as disclosing computer based methods for allocating parental funds in which a primary parental account is linked to one or more secondary child accounts with periodic allowance transfers. The examiner acknowledged that Armetta et al. did not disclose the use of funds for the purchase of audio and video entertainment in the form of goods and services, but cited Nakano et al. as disclosing this.

Regarding claims 54 and 55, the examiner acknowledged that Armetta et al. and Nakano et al. did not disclose content rating controls. Instead, claims 54 and 55 were rejected under 35 U.S.C. §103(a) as unpatentable over Armetta et al. and Nakano et al. for the reasons previously given and further in view of Hunter et al., U.S. Patent No. 5,485,519, which was cited as disclosing content rating controls. This rejection is respectfully traversed in view of the above claim amendment for the reasons set forth hereinafter.

Claim 41 has been amended so it is now directed to secondary accounts that are established by parents with internet music file providers for the purchase of music files over the internet by children using personal computers. The parent also uses a personal computer to establish and fund the secondary account from a bank or credit account.

The disclosure of Armetta et al. is limited to secondary spending card accounts linked to a primary credit card, all of which are issued by the same financial institution. In Claim 41, the primary account and secondary account are controlled by separate institutions, presumably a bank and an internet site. Armetta et al. at best teaches issuing a spending card account to a child to purchase goods or service from a vendor willing to accept the card and does not even remotely suggest establishing an account with a vendor to be funded by a parent's credit card.

Nakano et al. discloses cable video accounts for children such as pay per view shows and video movies and video games on demand that are funded by parents' credit cards. The system can also be used to purchase goods from cable shopping networks. However, the Nakano et al. video network is a closed cable system through which video content is ordered with a cable box from the cable service provider. While the abstract refers to on-line services and on-line shopping, it is evident from a reading of the patent that the disclosure is limited to closed cable networks. The purchase and transfer of music files over the internet by children using personal computers is not disclosed. The system is limited to pay-per-view entertainment and does not disclose file transferring. There is also no disclosure of a music library within the closed cable system from which music files can be purchased, or hardware supplied to the subscriber to which music or even video content can be transferred. The system can only be used on a single performance basis. It cannot be used to purchase and transfer music files even within a closed system.

Nakano et al. at best teaches a method in which a parent's credit card is used to fund a child's sub-account within the parent's account with a cable service provider, wherein the child can direct the cable service provider through the cable box to purchase music files on their behalf, which are then somehow relayed to the child through the cable system and can only be used for a single performance because no means to store music files is disclosed. This is much more complicated and at the same time more limited than the presently claimed method in which a parent uses their bank or credit account to fund a child's account with an internet music file supplier from which the child can directly purchase and transfer files using a personal computer.

Combining the teachings of Armetta et al. and Nakano et al. also fails to teach or suggest the presently claimed method. Armetta et al. only discloses a different primary - secondary funding system and does not disclose how any system, let alone the system of Nakano et al., can be used to purchase and transfer music files.

Claim 41 as amended, by being directed to a method in which a parent uses their bank or credit account to fund a child's account with an internet music file supplier from which the child can directly purchase and transfer files using a personal computer therefore patentably defines

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over the cited combination of prior art under 35 U.S.C. §103(a). Claims 42 – 46 and 48 – 51 depend from Claim 41 and are directed to allowable subject matter by the features of Claim 41 discussed above. By amending Claim 41 in this manner, this rejection of Claim 41 and Claims 42 – 46 and 48 – 51 depending therefrom has thus been overcome. Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

Finally, Claims 54 and 55 also depend from Claim 41 and are directed to allowable subject matter by the features of Claim 41 discussed above. Reconsideration by the Examiner and withdrawal of this rejection is therefore also respectfully requested.

Accordingly, in view of the above claim amendments and the foregoing remarks, this application is now in condition for allowance. Reconsideration is respectfully requested. However, the Examiner is requested to telephone the undersigned if there are any remaining issues in this application to be resolved.

Finally, if there are any additional charges in connection with this response, the Examiner is authorized to charge Applicant's deposit account number 19-5425 therefor.

Respectfully submitted,

  
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